

FILED

BEFORE THE REAL ESTATE COMMISSION

FEB 08 2017

STATE OF NEVADA

REAL ESTATE COMMISSION
BY *Adam Hansen*

SHARATH CHANDRA, Administrator,
REAL ESTATE DIVISION,
DEPARTMENT OF BUSINESS &
INDUSTRY, STATE OF NEVADA,

Case No.: 2016-3493

Petitioner,

vs.

**COMPLAINT AND NOTICE OF
HEARING**

PATTY STEELMAN,

Respondent.

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, ADAM PAUL LAXALT, Attorney General of the State of Nevada, and PETER K. KEEGAN Deputy Attorney General, hereby notifies RESPONDENT PATTY STEELMAN ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapter 233B and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Broker, License Number B.1001791.LLC, and is therefore subject to the jurisdiction of the Division and the provisions of NRS Chapter 645 and NAC Chapter 645.

FACTUAL ALLEGATIONS

1. RESPONDENT has been licensed as a Broker, License Number B.1001791.LLC, since May 19, 2016 and is currently in active status. RESPONDENT was formerly licensed as a Property Manager, License Number PM.0163018, from February 2,

1 2006 to February 28, 2011. RESPONDENT was also formerly licensed as a Salesperson,
2 license number S.0070063, and from February 2, 2006 until May 19, 2016.

3 2. RESPONDENT is currently employed with KRCH Realty, LLC ("KRCH"), in
4 Reno, Nevada.

5 3. On or about January 2, 2016, COMPLAINANT entered into a lease with
6 RESPONDENT for the property located at 7826 Telaar Street, Reno Nevada, 89506.

7 4. The Term of the Lease was for one (1) year and included a security deposit of
8 \$1,300.00 (Thirteen Hundred Dollars and No/100 Cents), with a \$600.00 (Six Hundred
9 Dollars and No/100 Cents) "Pet Deposit."

10 5. On or about September 9, 2016, the Division received a Complaint from Cory
11 Tubbs ("COMPLAINANT") against the RESPONDENT claiming that she had failed to fully
12 refund a rental property security deposit, failed to provide an accounting of deductions from
13 the security deposit, and failed to identify the "Pet Deposit" portion of the security deposit
14 as non-refundable in her lease.

15 6. COMPLAINANT's Complaint states she vacated the Property on July 31,
16 2016, with proper advance notice in accordance with the lease.

17 7. RESPONDENT's Affidavit response states that the Property was not vacated
18 and ready to rent until August 2, 2016, due to a carpet cleaning the afternoon of August 1,
19 2016.

20 8. On or about September 1, 2016, RESPONDENT issued a check in the amount
21 of \$1,300.00 (Thirteen Hundred and No/100 Dollars) to COMPLAINANT as a refund for
22 the COMPLAINANT's security deposit.

23 9. On or about September 19, 2016, the Division sent RESPONDENT, via
24 certified mail, an Opening Letter indicating that an investigation had commenced
25 concerning the September 9, 2016, Complaint, and informed RESPONDENT that a
26 response was due to the Division by October 3, 2016.

27 10. On or about October 14, 2016, RESPONDENT submitted her Affidavit
28 response to the Division.

12. On or about November 23, 2016, the Division sent RESPONDENT, via certified mail, a Notice of Violation and Order to Pay Fine, which ordered RESPONDENT, pursuant to NAC 645.695, to pay an administrative fine of \$1500.00 (Fifteen Hundred Dollars and No/100 Cents) to the Division for violations of NRS 645 and NAC 645.

13. On or about December 5, 2016, RESPONDENT sent the Division a Notice of Intent to Appeal the November 23, 2016, Notice of Violation and Order to Pay Fine.

14. On or about January 3, 2017, the Division sent RESPONDENT, via certified mail, an NRS 233B Notice of Intention to Commence Disciplinary Action against her by filing a Complaint and request for hearing with the Nevada Real Estate Commission for violations of NAC 645.640(1)(b), NRS 645.633(1)(h), NAC 645.605(6), and NRS 645.630(1)(f).

VIOLATIONS

RESPONDENT has committed the following violations of law:

15. RESPONDENT violated NAC 645.640(1) (b) pursuant to NRS 645.633(1)(h) by failing to disclose in writing to COMPLAINANT that she was a licensee of the Nevada Real Estate Division.

16. RESPONDENT violated NAC 118(A).242(4) pursuant to NRS 645.633(1)(h) by failing to return COMPLAINANT's "Pet Deposit" portion of the security deposit within 30 days of the termination to the tenancy and failing to provide COMPLAINANT an accounting of the disposition of the security deposit.

17. RESPONDENT violated NRS 645.630(1)(f) by failing to return COMPLAINANT's "Pet Deposit" portion of the security deposit within a responsible time or to account the "Pet Deposit" portion of the security deposit paid to her and belonging to COMPLAINANT.

DISCIPLINE AUTHORIZED

18. Pursuant to NRS 645.630 and NRS 645.633, the Commission is authorized to impose an administrative fine of up to \$10,000.00 per violation against RESPONDENT and further to suspend, revoke or place conditions on the license of RESPONDENT.

19. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission otherwise imposes discipline on RESPONDENT.

20. Therefore, the Division requests that the Commission take such disciplinary action as it deems appropriate under the circumstances.

NOTICE OF HEARING

PLEASE TAKE NOTICE that a disciplinary hearing has been set to consider the Administrative Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE on March 14, 2017, commencing at 9:00 a.m., or as soon thereafter as the Commission is able to hear the matter, and each day thereafter, commencing at 9:00 a.m. through March 16, 2017, or earlier if the business of the Commission is concluded. The Commission meeting will be held on March 14, 2017, at the Gaming Control Board, 1919 College Parkway, Carson City, Nevada 89701. The meeting will continue on March 15, 2017 at the Gaming Control Board, 1919 College Parkway, Carson City, Nevada 89701, commencing at 9:00 a.m., and on March 16, 2017, should business not be concluded, starting at 9:00 a.m. at the Nevada Division of Insurance, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706.

STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same time as part of a regular meeting of the Commission that is expected to last from March 14th through March 16, 2017, or earlier if the business of the Commission is concluded. Thus, your hearing may be continued until later in the

1 day or from day to day. It is your responsibility to be present when your case is
2 called. If you are not present when your hearing is called, a default may be
3 entered against you and the Commission may decide the case as if all allegations
4 in the complaint were true. If you have any questions please call Rebecca Hardin,
5 Commission Coordinator, at (702) 486-4074.

6 YOUR RIGHTS AT THE HEARING: except as mentioned below, the hearing is an
7 open meeting under Nevada's Open Meeting Law, and may be attended by the public. After
8 the evidence and arguments, the Commission may conduct a closed meeting to discuss your
9 alleged misconduct or professional competence. A verbatim record will be made by a
10 certified court reporter. You are entitled to a copy of the transcript of the open and closed
11 portions of the meeting, although you must pay for the transcription.


12 As the RESPONDENT, you are specifically informed that you have the right to
13 appear and be heard in your defense, either personally or through your counsel of choice.
14 At the hearing, the Division has the burden of proving the allegations in the complaint and
15 will call witnesses and present evidence against you. You have the right to respond and to
16 present relevant evidence and argument on all issues involved. You have the right to call
17 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any
18 matter relevant to the issues involved.

19 You have the right to request that the Commission issue subpoenas to compel
20 witnesses to testify and/or evidence to be offered on your behalf. In making the request,
21 you may be required to demonstrate the relevance of the witnesses' testimony and/or
22 evidence. Other important rights you have are listed in NRS 645.680 through 645.990,
23 NRS Chapter 233B, and NAC 645.810 through 645.920.

24 The purpose of the hearing is to determine if the RESPONDENT has violated NRS
25 645 and/or NAC 645 and if the allegations contained herein are substantially proven
26 by the evidence presented and to further determine what administrative penalty, if any, is
27 to be assessed against the RESPONDENT, pursuant to NRS, 645.633 and/or 645.630 and/or
28 NAC 645.695.


1 DATED this 7 day of February, 2017.

2 State of Nevada
3 Department of Business and Industry
4 Real Estate Division

5 By: 
6 SHARATH CHANDRA, Administrator
7 2501 East Sahara Avenue
8 Las Vegas, Nevada 89104-4137
9 Telephone: (702) 486-4033

10 DATED this 6th day of February, 2017.

11 ADAM PAUL LAXALT
12 Attorney General

13 By: 
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